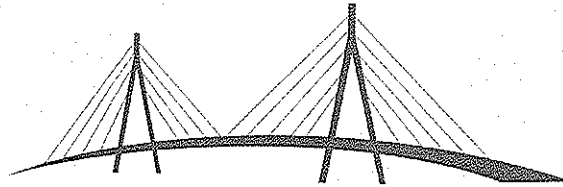


"A second Detroit River crossing: Just build it"

-Detroit Free Press Editorial, April 24, 2011



The Detroit Free Press takes a closer look at the bridge issue

Powerful Moroun family pours \$1.5 million into political races

"If those contributions had been combined in a single political action committee, it would have been the largest corporate campaign donor in Michigan..."

Tax-free fuel sales are bonanza for Ambassador Bridge owners

"Moroun's son, Matthew, said the Gas Sales Produce Healthy profits..."

Battle over new bridge is ramping up

"Just about everyone, including Moroun, believes a new bridge is needed..."

Editorial: A second Detroit River crossing: Just build it

"Moroun's protracted tantrum over the prospect of a new Detroit River Crossing is getting old..."

Sandy Baruah Guest Editorial: Michigan's recovery depends in large part on new bridge

"Unless Michigan is equipped to compete and win on the world stage, our economy will continue to struggle..."

There are big names on both sides of the bridge debate

"The 139 organizations and individuals that endorse the New International Trade Crossing (NITC) include..."

Q&A: An interview with Matthew Moroun

"At the end of the day, it's not that big of a deal..."

Canada takes on state's share of bridge cost for chance at easier trade

"Commercial interests in Canada (and the U.S.) have a huge stake in making it easier to move goods and services across the border at Detroit..."

Powerful Moroun family pours \$1.5 million into political races

April 26, 2011

**BY CHRIS CHRISTOFF AND KATHLEEN GRAY
DETROIT FREE PRESS STAFF WRITERS**

LANSING -- As the push comes for the Legislature to decide whether to agree to build a public bridge across the Detroit River, 15 senators and 30 representatives have something in common on the issue.

All got money during their campaign last year from the Moroun family, owners of the Detroit International Bridge Co., which wants to stop construction of a rival bridge 2 miles downriver from its Ambassador Bridge. Led by Manuel (Matty) Moroun, principal owner of the company, the Morouns gave nearly half a million dollars to winning candidates.

In all, the Moroun donor network gave almost \$1.5 million to state and congressional candidates in the 2009-10 election cycle. If those contributions had been combined in a single political action committee, it would have been the largest corporate campaign donor in Michigan.

Among those donations was \$325,000 the Morouns' Ammex Duty Free Co. gave the National Republican Governors Association, which ran ads supporting Gov. Rick Snyder.

But the largesse didn't sway Snyder, whose administration leads the fight for a new bridge.

Dan Stamper, president of the Morouns' bridge company, said the family has interest in many public issues beyond stopping a second span.

"Our contributions are based on having like minds on issues," Stamper said.

The donations stymied the bridge plans in 2010, said Tom Shields, spokesman for the business and union coalition that supports a publicly sponsored Detroit-Windsor bridge.

"They've gotten a lot of people's ears," Shields said.

Donations, lobbying heat up bridge fight

The day before the Nov. 2 election last year, state Rep. Goeff Hansen's hotly contested campaign for state Senate received \$1,000 each from Ambassador Bridge principal owner Manuel (Matty) Moroun, Moroun's wife, his son and his daughter-in-law.

Now, Hansen is among five Republican senators targeted for pressure by the conservative group Americans for Prosperity Michigan, which wants Hansen to help stop a planned, state-sponsored Detroit River bridge that would draw business from Moroun's bridge.

Four of the senators, including Hansen, sit on a Senate committee that may be charged with voting on a new bridge bill, said Scott Hagerstrom, director of AFP Michigan. Its campaign demands the five senators publicly oppose the New International Trade Crossing (NITC) project.

"I won't tell them whether I support it," said Hansen, of Hart in western Michigan. Hansen said he's frustrated by the campaign against him. He opposed the public bridge project last year, but said he won't decide how he'll vote this year until he sees fresh legislation.

Hansen said he had never met Moroun, and only recently met Moroun's wife, Nora Moroun, when she came to his office to lobby against the NITC. Hansen said he didn't know at the time he received the \$4,000 on Nov. 1 -- part of \$413,000 spent on his overall campaign.

"When you're fighting to finish off a campaign, you don't question it," he said.

The others targeted, who also have not declared a position, are Dave Hildenbrand of Lowell, Mike Nofs of Battle Creek, Judy Emmons of Sheridan and Rick Jones of Grand Ledge.

The arm-twisting by AFP, and the Moroun family's lobbying and campaign donations during the last two years, show the intensity of the battle to defeat a competing bridge plan that Moroun's company says will decimate Ambassador Bridge traffic and cost it untold millions.

They have aired extensively TV commercials denouncing the new bridge plan as wasteful and a future drain of taxpayers' dollars -- claims that proponents call distorted or outright false.

But the money spent fighting a new bridge has been personal, too. The four Morouns -- Matty, Nora, son Matthew and daughter-in-law Lindsay -- contributed a total of \$565,000 to state candidates during 2009-10.

In all, the family donor network gave nearly \$1.5 million during 2009-10 to state and congressional candidates and a national group that backed Republican Gov. Rick Snyder in his campaign.

That includes \$563,000 given to candidates for Congress, mostly from Michigan.

The Moroun network donated \$76,000 that wound up supporting then-Senate Majority Leader Mike Bishop's unsuccessful campaign for attorney general. Bishop successfully blocked a Senate vote on the proposed Detroit River bridge in 2010.

And \$50,000 went to the House Republican PAC, which helped the GOP wrest control of the House last November.

Even Lt. Gov. Brian Calley, a candidate for state Senate before he became Snyder's running mate, received a \$1,000 donation from Matty Moroun. Calley now leads the effort to push a

revised bill through the Legislature that would allow the state to build a new bridge through a public-private venture with the Canadian government.

Dan Stamper, president of Detroit International Bridge Co., owner of the Ambassador Bridge, said the Morouns have raised legitimate issues about the proposed bridge that have given legislators pause. He said the family has donated legally and transparently, under state law.

Stamper said those donations pale next to the \$550 million the Canadian government has offered money-strapped Michigan to build approaches to a new bridge. Snyder has touted Canada's offered \$550 million as a means to leverage four times that much in federal highway funds over a number of years to fix Michigan roads.

Canadian officials have said the money would be repaid from bridge tolls.

Stamper said liberals in Canada have labeled the offer a bribe to the state.

"That was a specified purpose for a lump sum from a foreign country," he said.

Tom Shields, spokesman for backers of the new bridge plan, said comparing the Moroun political donations to Canada's offer of \$550 million is absurd.

"It's a good deal for taxpayers and the state," Shields said. "It's not a way to gain favor by padding someone's campaign coffers."

The Morouns gave largely to Republicans, but they donated to some Democrats and Democratic PACs, too, including several Detroit state representatives. In 2004, Matty Moroun gave \$10,000 to Democratic Gov. Jennifer Granholm's campaign fund.

They donated to four losing Republicans for governor in the GOP primary -- Mike Bouchard, Mike Cox, Pete Hoekstra and even field-trailer Tom George. They gave \$5,000 to Detroit Mayor Dave Bing, who supports plans for a new bridge, against Moroun's wishes.

"He was really playing all the bases," said Rich Robinson, executive director of the Michigan Campaign Finance Network, of Matty Moroun.

Political contributions made by the Moroun family

Below are the political contributions made by Moroun family members for candidates and committees in Michigan elections held in 2009 and 2010.

<u>Committee name</u>	<u>Contributor</u>	<u>Date of contribution</u>	<u>Amount</u>
ANNE NORLANDER FOR SEC OF STATE (ANNE NORLANDER)	MANUEL J. MOROUN	April 26, 2010	\$500
ARLAN B MEEKHOF FOR STATE SENATE (ARLAN MEEKHOF)	MANUEL J. MOROUN	July 13, 2010	\$500
ARLAN B MEEKHOF FOR STATE SENATE (ARLAN MEEKHOF)	MATTHEW T. MOROUN	July 13, 2010	\$1,000
BEN GLARDON FOR STATE REPRESENTATIVE (BENJAMIN GLARDON)	MANUEL J. MOROUN	November 15, 2010	\$500
BEN GLARDON FOR STATE REPRESENTATIVE (BENJAMIN GLARDON)	NORA MOROUN	November 15, 2010	\$500
BILL SCHUETTE FOR ATTORNEY GENERAL (WILLIAM SCHUETTE)	MANUEL J. MOROUN	October 21, 2010	\$2,400
BILL SCHUETTE FOR ATTORNEY GENERAL (WILLIAM SCHUETTE)	MANUEL J. MOROUN	October 28, 2010	\$1,000
BILL SCHUETTE FOR ATTORNEY GENERAL (WILLIAM SCHUETTE)	NORA MOROUN	October 21, 2010	\$3,400
BING GOEI FOR STATE REPRESENTATIVE (BING GOEI)	LINDSAY S. MOROUN	October 18, 2010	\$500
BING GOEI FOR STATE REPRESENTATIVE (BING GOEI)	MANUEL J. MOROUN	October 18, 2010	\$500
BING GOEI FOR STATE REPRESENTATIVE (BING GOEI)	MATTHEW T. MOROUN	October 18, 2010	\$500
BING GOEI FOR STATE REPRESENTATIVE (BING GOEI)	NORA MOROUN	October 18, 2010	\$500
BOB YOUNG FOR JUSTICE (ROBERT YOUNG JR)	MANUEL J. MOROUN	October 18, 2010	\$3,400
BOB YOUNG FOR JUSTICE (ROBERT YOUNG JR)	NORA MOROUN	October 18, 2010	\$3,400
BOLGER RESTORE MICHIGAN FUND (JASE BOLGER)	MATTHEW T. MOROUN	October 19, 2010	\$5,000
BOUCHARD VICTORY FUND (MICHAEL BOUCHARD)	MANUEL J. MOROUN	May 13, 2010	\$8,000
BOUCHARD VICTORY FUND (MICHAEL BOUCHARD)	MATTHEW T. MOROUN	May 13, 2010	\$5,000

CAMERON BROWN FOR SECRETARY OF STATE (CAMERON BROWN)	MATTHEW T. MOROUN	April 30, 2010	\$1,000
CANDICE MILLER FOR CONGRESS MI (CANDICE MILLER)	LINDSAY S. MOROUN	June 24, 2010	\$500
CANDICE MILLER FOR CONGRESS MI (CANDICE MILLER)	MANUEL J. MOROUN	June 24, 2010	\$1,900
CANDICE MILLER FOR CONGRESS MI (CANDICE MILLER)	MATTHEW T. MOROUN	June 24, 2010	\$2,400
CANDICE MILLER FOR CONGRESS MI (CANDICE MILLER)	MATTHEW T. MOROUN	June 24, 2010	\$1,900
CANDICE MILLER FOR CONGRESS MI (CANDICE MILLER)	NORA MOROUN	June 24, 2010	\$500
CANDICE MILLER FOR CONGRESS MI (CANDICE MILLER)	NORA MOROUN	June 24, 2010	\$2,400
CAPITOL AFFAIRS PAC	AGNES A. MOROUN	July 08, 2010	\$5,000
CAPITOL AFFAIRS PAC (MICHAEL BOUCHARD)	MANUEL J. MOROUN	June 23, 2010	\$10,000
CAPITOL AFFAIRS PAC (MICHAEL BOUCHARD)	MATTHEW T. MOROUN	May 26, 2010	\$10,000
CAPITOL AFFAIRS PAC (supp M. Bouchard) (MICHAEL BOUCHARD)	MANUEL J. MOROUN	May 26, 2010	\$10,000
CAPITOL AFFAIRS PAC (supp M. Bouchard) (MICHAEL BOUCHARD)	MANUEL J. MOROUN	December 30, 2009	\$5,000
CARL MARLINGA FOR STATE SENATE (CARL MARLINGA)	AGNES A. MOROUN	May 14, 2010	\$1,000
CARL MARLINGA FOR STATE SENATE (CARL MARLINGA)	LINDSAY S. MOROUN	May 14, 2010	\$1,000
CARL MARLINGA FOR STATE SENATE (CARL MARLINGA)	MANUEL J. MOROUN	May 14, 2010	\$1,000
CARL MARLINGA FOR STATE SENATE (CARL MARLINGA)	MATTHEW T. MOROUN	May 14, 2010	\$1,000

CARL MARLINGA FOR STATE SENATE (CARL MARLINGA)	NORA MOROUN	May 14, 2010	\$1,000
CITIZENS FOR MARGARET OBRIEN (MARGARET OBRIEN)	MANUEL J. MOROUN	October 23, 2010	\$500
CITIZENS FOR MARGARET OBRIEN (MARGARET OBRIEN)	NORA MOROUN	October 23, 2010	\$500
CITIZENS SUPPORTING MIKE NOFS (MICHAEL NOFS)	MANUEL J. MOROUN	August 21, 2009	\$1,000
CITIZENS SUPPORTING MIKE NOFS (MICHAEL NOFS)	MATTHEW T. MOROUN	November 03, 2009	\$1,000
CITIZENS SUPPORTING TORY ROCCA (TORY ROCCA)	MANUEL J. MOROUN	October 22, 2010	\$1,000
CITIZENS SUPPORTING TORY ROCCA (TORY ROCCA)	MATTHEW T. MOROUN	June 14, 2010	\$1,000
CITIZENS SUPPORTING TORY ROCCA (TORY ROCCA)	NORA MOROUN	October 22, 2010	\$1,000
CITIZENS TO ELECT MICHAEL ENNIS (MICHAEL ENNIS)	MANUEL J. MOROUN	October 20, 2010	\$1,000
CITIZENS TO ELECT MICHAEL ENNIS (MICHAEL ENNIS)	MATTHEW T. MOROUN	October 20, 2010	\$1,000
COM TO RETAIN JUDGE MATTHEW SABAUGH (MATTHEW SABAUGH)	MANUEL J. MOROUN	February 19, 2010	\$300
COMM FOR RESPONSIBLE GOVERNMENT (TED WAHBY)	MANUEL J. MOROUN	October 08, 2009	\$5,000
COMM TO ELECT JACK BRANDENBURG (JOHN BRANDENBURG)	MANUEL J. MOROUN	November 01, 2010	\$500
COMM TO ELECT RAY FRANZ STATE REP (RAY FRANZ)	LINDSAY S. MOROUN	October 28, 2010	\$500
COMM TO ELECT RAY FRANZ STATE REP (RAY FRANZ)	MANUEL J. MOROUN	October 18, 2010	\$500
COMM TO ELECT RAY FRANZ STATE REP (RAY FRANZ)	MATTHEW T. MOROUN	October 28, 2010	\$500
COMM TO ELECT RAY FRANZ STATE REP (RAY FRANZ)	NORA MOROUN	October 18, 2010	\$500
COMM TO ELECT SAMUEL BUZZ THOMAS (SAMUEL THOMAS)	MATTHEW T. MOROUN	June 06, 2008	\$1,000
COMM TO ELECT SHANELLE JACKSON (SHANELLE JACKSON)	MANUEL J. MOROUN	June 15, 2010	\$500

COMM TO ELECT SHANELLE JACKSON (SHANELLE JACKSON)	MATTHEW T. MOROUN	June 15, 2010	\$500
COMMITTEE TO ELECT BRIAN CALLEY (BRIAN CALLEY)	MANUEL J. MOROUN	June 30, 2010	\$1,000
COMMITTEE TO ELECT DALE W ZORN (DALE ZORN)	MATTHEW T. MOROUN	October 26, 2010	\$500
COMMITTEE TO ELECT ED MCBROOM (EDWARD MCBROOM)	LINDSAY S. MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT ED MCBROOM (EDWARD MCBROOM)	MANUEL J. MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT ED MCBROOM (EDWARD MCBROOM)	MATTHEW T. MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT ED MCBROOM (EDWARD MCBROOM)	NORA MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT GAIL HAINES (GAIL HAINES)	MANUEL J. MOROUN	December 07, 2009	\$500
COMMITTEE TO ELECT GAIL HAINES (GAIL HAINES)	NORA MOROUN	December 07, 2009	\$500
COMMITTEE TO ELECT JASE BOLGER (JASE BOLGER)	MANUEL J. MOROUN	December 26, 2009	\$500
COMMITTEE TO ELECT JASE BOLGER (JASE BOLGER)	MATTHEW T. MOROUN	December 26, 2009	\$500
COMMITTEE TO ELECT JOEL JOHNSON (JOEL JOHNSON)	LINDSAY S. MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT JOEL JOHNSON (JOEL JOHNSON)	MATTHEW T. MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT KATHY VIVIANO TO CIRCUIT COURT (KATHRYN VIVIANO)	MANUEL J. MOROUN	May 21, 2010	\$1,000
COMMITTEE TO ELECT KURT HEISE (KURT HEISE)	MANUEL J. MOROUN	October 24, 2010	\$500
COMMITTEE TO ELECT KURT HEISE (KURT HEISE)	NORA MOROUN	October 24, 2010	\$500
COMMITTEE TO ELECT MARK OUMET (MARK OUMET)	MATTHEW T. MOROUN	October 27, 2010	\$500
COMMITTEE TO ELECT MIA D GRILLIER (MIA GRILLIER)	MANUEL J. MOROUN	June 11, 2010	\$500

COMMITTEE TO ELECT MIA D GRILLIER (MIA GRILLIER)	MATTHEW T. MOROUN	June 11, 2010	\$500
COMMITTEE TO ELECT MIKE SHIRKEY (MICHAEL SHIRKEY)	MANUEL J. MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT MIKE SHIRKEY (MICHAEL SHIRKEY)	NORA MOROUN	October 25, 2010	\$500
COMMITTEE TO ELECT PETER PETTALIA (PETER PETTALIA)	LINDSAY S. MOROUN	October 26, 2010	\$500
COMMITTEE TO ELECT PETER PETTALIA (PETER PETTALIA)	MANUEL J. MOROUN	October 28, 2010	\$500
COMMITTEE TO ELECT PETER PETTALIA (PETER PETTALIA)	MATTHEW T. MOROUN	October 26, 2010	\$500
COMMITTEE TO ELECT PETER PETTALIA (PETER PETTALIA)	NORA MOROUN	October 28, 2010	\$500
COMMITTEE TO ELECT VIRGIL SMITH STATE SENATOR (VIRGIL SMITH)	MANUEL J. MOROUN	November 03, 2010	\$500
COMMITTEE TO ELECT VIRGIL SMITH STATE SENATOR (VIRGIL SMITH)	MATTHEW T. MOROUN	November 03, 2010	\$500
COMMUNITY COALITION PAC (DAVE BING)	MANUEL J. MOROUN	May 01, 2009	\$5,000
COMMUNITY COALITION PAC (DAVE BING)	MATTHEW T. MOROUN	May 01, 2009	\$5,000
CONSERVATIVE LEADERSHIP COMMITTEE	LINDSAY S. MOROUN	October 15, 2010	\$12,500
CONSERVATIVE LEADERSHIP COMMITTEE	MANUEL J. MOROUN	October 15, 2010	\$12,500
CONSERVATIVE LEADERSHIP COMMITTEE	MATTHEW T. MOROUN	October 15, 2010	\$12,500
COPPER RIZZO FOR STATE SENATE (COPPER RIZZO)	MANUEL J. MOROUN	July 09, 2010	\$1,000
CTZNS TO ELECT DEB SHAUGHNESSY REP (DEB SHAUGHNESSY)	LINDSAY S. MOROUN	October 24, 2010	\$500
CTZNS TO ELECT DEB SHAUGHNESSY REP (DEB SHAUGHNESSY)	MATTHEW T. MOROUN	October 24, 2010	\$500
DAVE BING LEADERSHIP COMMITTEE (DAVE BING)	MANUEL J. MOROUN	May 04, 2010	\$5,000

DAVE ROBERTSON FOR STATE SENATE (DAVID ROBERTSON)	LINDSAY S. MOROUN	October 24, 2010	\$1,000
DAVE ROBERTSON FOR STATE SENATE (DAVID ROBERTSON)	MANUEL J. MOROUN	October 24, 2010	\$1,000
DAVE ROBERTSON FOR STATE SENATE (DAVID ROBERTSON)	MATTHEW T. MOROUN	October 24, 2010	\$1,000
DAVE ROBERTSON FOR STATE SENATE (DAVID ROBERTSON)	NORA MOROUN	October 24, 2010	\$1,000
DAVID AGEMA FOR STATE REP COMM (DAVID AGEMA)	MANUEL J. MOROUN	June 14, 2010	\$500
DAVID AGEMA FOR STATE REP COMM (DAVID AGEMA)	MATTHEW T. MOROUN	June 14, 2010	\$500
DETROIT REGIONAL CHAMBER PAC	MATTHEW T. MOROUN	July 29, 2010	\$200
DETROIT REGIONAL CHAMBER PAC	NORA MOROUN	June 28, 2010	\$1,225
DIAMOND PAC (JEWELL WARE)	MANUEL J. MOROUN	July 16, 2010	\$2,500
DIAMOND PAC (JEWELL WARE)	NORA MOROUN	July 16, 2010	\$2,500
DURHAL LEADERSHIP FUND (FRED DURHAL)	MANUEL J. MOROUN	July 16, 2010	\$5,000
EARL POLESKI FOR STATE REP (EARL POLESKI)	LINDSAY S. MOROUN	October 23, 2010	\$500
EARL POLESKI FOR STATE REP (EARL POLESKI)	MANUEL J. MOROUN	October 23, 2010	\$500
EARL POLESKI FOR STATE REP (EARL POLESKI)	MATTHEW T. MOROUN	October 23, 2010	\$500
EARL POLESKI FOR STATE REP (EARL POLESKI)	NORA MOROUN	October 23, 2010	\$500
ELECT JEFF FARRINGTON COMMITTEE (JEFFRY FARRINGTON)	LINDSAY S. MOROUN	October 22, 2010	\$500
ELECT JEFF FARRINGTON COMMITTEE (JEFFRY FARRINGTON)	MANUEL J. MOROUN	October 22, 2010	\$500
ELECT JEFF FARRINGTON COMMITTEE (JEFFRY FARRINGTON)	MATTHEW T. MOROUN	October 22, 2010	\$500
ELECT JEFF FARRINGTON	NORA	October 22, 2010	\$500

COMMITTEE (JEFFRY FARRINGTON)	MOROUN		
FICANO PAC (ROBERT FICANO)	MANUEL J. MOROUN	June 17, 2010	\$5,000
FICANO PAC (ROBERT FICANO)	MANUEL J. MOROUN	June 23, 2009	\$1,600
FRED DURHAL 2010 COMMITTEE (FRED DURHAL)	MANUEL J. MOROUN	June 11, 2010	\$500
FRED DURHAL 2010 COMMITTEE (FRED DURHAL)	MATTHEW T. MOROUN	June 11, 2010	\$500
FRIENDS OF ABE MUNFAKH (ABE MUNFAKH)	LINDSAY S. MOROUN	August 02, 2010	\$500
FRIENDS OF ABE MUNFAKH (ABE MUNFAKH)	MANUEL J. MOROUN	August 02, 2010	\$500
FRIENDS OF ABE MUNFAKH (ABE MUNFAKH)	MANUEL J. MOROUN	July 08, 2010	\$200
FRIENDS OF ABE MUNFAKH (ABE MUNFAKH)	MATTHEW T. MOROUN	August 02, 2010	\$500
FRIENDS OF ABE MUNFAKH (ABE MUNFAKH)	NORA MOROUN	August 02, 2010	\$500
FRIENDS OF EILEEN KOWALL (EILEEN KOWALL)	MANUEL J. MOROUN	August 10, 2010	\$500
FRIENDS OF EILEEN KOWALL (EILEEN KOWALL)	MATTHEW T. MOROUN	August 10, 2010	\$500
FRIENDS OF HOLLY HUGHES (HOLLY HUGHES)	MATTHEW T. MOROUN	October 26, 2010	\$500
FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	LINDSAY S. MOROUN	October 23, 2010	\$500
FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	LINDSAY S. MOROUN	October 23, 2010	\$500
FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	MANUEL J. MOROUN	October 23, 2010	\$500
FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	MANUEL J. MOROUN	October 23, 2010	\$500
FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	MATTHEW T. MOROUN	October 23, 2010	\$500
FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	MATTHEW T. MOROUN	October 23, 2010	\$500
FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	NORA MOROUN	October 23, 2010	\$500

FRIENDS OF JEFF OESTERLE (JEFFREY OESTERLE)	NORA MOROUN	October 23, 2010	\$500
FRIENDS OF LARRY DESHAZOR (LARY DESHAZOR)	MATTHEW T. MOROUN	June 14, 2010	\$1,000
FRIENDS OF LOIS SHULMAN (LOIS SHULMAN)	LINDSAY S. MOROUN	October 27, 2010	\$500
FRIENDS OF LOIS SHULMAN (LOIS SHULMAN)	MANUEL J. MOROUN	October 27, 2010	\$500
FRIENDS OF LOIS SHULMAN (LOIS SHULMAN)	MATTHEW T. MOROUN	October 27, 2010	\$500
FRIENDS OF LOIS SHULMAN (LOIS SHULMAN)	NORA MOROUN	October 27, 2010	\$500
FRIENDS OF PAT SOMERVILLE (PATRICK SOMERVILLE)	MANUEL J. MOROUN	November 02, 2010	\$500
FRIENDS TO ELECT BRUCE R RENDON (BRUCE RENDON)	LINDSAY S. MOROUN	October 25, 2010	\$500
FRIENDS TO ELECT BRUCE R RENDON (BRUCE RENDON)	MANUEL J. MOROUN	October 25, 2010	\$500
FRIENDS TO ELECT BRUCE R RENDON (BRUCE RENDON)	MATTHEW T. MOROUN	October 25, 2010	\$500
FRIENDS TO ELECT BRUCE R RENDON (BRUCE RENDON)	NORA MOROUN	October 25, 2010	\$500
FUND FOR A REPUBLICAN MAJORITY (MICHAEL NOFS)	MANUEL J. MOROUN	October 06, 2010	\$5,000
GOEFF HANSEN FOR SENATE (GOEFFREY HANSEN)	LINDSAY S. MOROUN	November 01, 2010	\$1,000
GOEFF HANSEN FOR SENATE (GOEFFREY HANSEN)	MANUEL J. MOROUN	November 01, 2010	\$1,000
GOEFF HANSEN FOR SENATE (GOEFFREY HANSEN)	MATTHEW T. MOROUN	November 01, 2010	\$1,000
GOEFF HANSEN FOR SENATE (GOEFFREY HANSEN)	NORA MOROUN	November 01, 2010	\$1,000
HOUSE REP CAMPAIGN COMM	MANUEL J. MOROUN	October 31, 2008	\$20,000
HOUSE REP CAMPAIGN COMM	MANUEL J. MOROUN	May 19, 2010	\$10,000
HOUSE REP CAMPAIGN COMM	MATTHEW T. MOROUN	May 19, 2010	\$20,000
HOWARD WALKER FOR STATE SENATE (HOWARD WALKER)	MANUEL J. MOROUN	October 27, 2010	\$500

JACKSON EMERGING LEADERSHIP FUND	MANUEL J. MOROUN	July 02, 2010	\$2,500
JACKSON EMERGING LEADERSHIP FUND	MATTHEW T. MOROUN	July 02, 2010	\$2,500
JIM MARLEAU FOR STATE SENATE (JIM MARLEAU)	MANUEL J. MOROUN	November 10, 2010	\$500
JOE HUNE FOR STATE SENATE (JOE HUNE)	MANUEL J. MOROUN	October 24, 2010	\$500
JOHN MOOLENAAR FOR STATE SENATE (JOHN MOOLENAAR)	MANUEL J. MOROUN	November 01, 2010	\$1,000
JOHN MOOLENAAR FOR STATE SENATE (JOHN MOOLENAAR)	MATTHEW T. MOROUN	November 01, 2010	\$1,000
JOHN PAPPAGEORGE FOR STATE SENATE (JOHN PAPPAGEORGE)	LINDSAY S. MOROUN	October 08, 2010	\$1,000
JOHN PAPPAGEORGE FOR STATE SENATE (JOHN PAPPAGEORGE)	MANUEL J. MOROUN	October 08, 2010	\$1,000
JOHN PAPPAGEORGE FOR STATE SENATE (JOHN PAPPAGEORGE)	MATTHEW T. MOROUN	October 08, 2010	\$1,000
JOHN PAPPAGEORGE FOR STATE SENATE (JOHN PAPPAGEORGE)	NORA MOROUN	October 08, 2010	\$1,000
JOHN PROOS FOR STATE SENATE (JOHN PROOS)	MATTHEW T. MOROUN	July 08, 2010	\$1,000
JUDGE MURIEL HUGHES COMMITTEE (MURIEL HUGHES)	MANUEL J. MOROUN	July 22, 2010	\$400
JUDY EMMONS FOR STATE SENATE (JUDY EMMONS)	MANUEL J. MOROUN	October 28, 2010	\$500
KAHN LEADERSHIP FUND	MANUEL J. MOROUN	October 04, 2010	\$10,000
KENNETH ROSEN FOR STATE REPRESENTATI (KENNETH ROSEN)	LINDSAY S. MOROUN	October 24, 2010	\$500
KENNETH ROSEN FOR STATE REPRESENTATI (KENNETH ROSEN)	MATTHEW T. MOROUN	October 24, 2010	\$500
KEVIN COTTER FOR STATE REPRESENTATIV (KEVIN COTTER)	MANUEL J. MOROUN	October 24, 2010	\$500

KEVIN ELSENHEIMER FOR JUDGE (KEVIN ELSENHEIMER)	MANUEL J. MOROUN	July 29, 2010	\$1,000
KEVIN ELSENHEIMER FOR JUDGE (KEVIN ELSENHEIMER)	MANUEL J. MOROUN	July 29, 2010	\$1,000
KIM MELTZER FOR STATE SENATE (KIM MELTZER)	MANUEL J. MOROUN	June 16, 2010	\$1,000
KIM MELTZER FOR STATE SENATE (KIM MELTZER)	MATTHEW T. MOROUN	June 16, 2010	\$1,000
KORT PAC (MIKE BISHOP)	LINDSAY S. MOROUN	October 15, 2010	\$12,500
KORT PAC (MIKE BISHOP)	MANUEL J. MOROUN	October 15, 2010	\$12,500
KORT PAC (MIKE BISHOP)	MATTHEW T. MOROUN	October 15, 2010	\$12,500
KORT PAC (MIKE BISHOP)	NORA MOROUN	October 15, 2010	\$12,500
LEADERSHIP UNDER NEW DIRECTION FUND (PETE LUND)	MANUEL J. MOROUN	August 26, 2010	\$1,000
MACOMB BUSINESSES UNITED (MIKE COX)	MANUEL J. MOROUN	July 30, 2010	\$2,500
MACOMB BUSINESSES UNITED (MIKE COX)	MANUEL J. MOROUN	October 20, 2010	\$5,000
MARY BETH KELLY FOR JUSTICE (MARY KELLY)	MANUEL J. MOROUN	October 25, 2010	\$3,400
MARY BETH KELLY FOR JUSTICE (MARY KELLY)	NORA MOROUN	October 25, 2010	\$3,400
MATT HUUKI FOR STATE REPRESENTATIVE (MATT HUUKI)	MANUEL J. MOROUN	November 07, 2010	\$500
MATT HUUKI FOR STATE REPRESENTATIVE (MATT HUUKI)	MATTHEW T. MOROUN	November 07, 2010	\$500
MEEKHOF MAJORITY FUND	MANUEL J. MOROUN	June 30, 2010	\$2,000
MEEKHOF MAJORITY FUND (ARLAN MEEKHOF)	MATTHEW T. MOROUN	June 30, 2010	\$2,000
MHDF (House Democratic Fund)	MANUEL J. MOROUN	October 15, 2010	\$5,000
MI JOBS FUND (Roger Kahn) (ROGER KAHN)	MANUEL J. MOROUN	October 04, 2010	\$10,000

MICHIGAN BUSINESSES UNITED (MIKE COX)	MANUEL J. MOROUN	July 22, 2010	\$5,000
MICHIGAN BUSINESSES UNITED (MIKE COX)	MATTHEW T. MOROUN	July 23, 2010	\$5,000
MICHIGAN VALUES LEADERSHIP FUND (ALAN CROPSY)	MANUEL J. MOROUN	August 31, 2010	\$5,000
MIKE BOUCHARD FOR GOVERNOR (MICHAEL BOUCHARD)	AGNES A. MOROUN	December 31, 2009	\$3,400
MIKE BOUCHARD FOR GOVERNOR (MICHAEL BOUCHARD)	LINDSAY S MOROUN	December 31, 2009	\$3,400
MIKE BOUCHARD FOR GOVERNOR (MICHAEL BOUCHARD)	MANUEL J. MOROUN	December 31, 2009	\$3,400
MIKE BOUCHARD FOR GOVERNOR (MICHAEL BOUCHARD)	MATTHEW T. MOROUN	December 31, 2009	\$3,400
MIKE BOUCHARD FOR GOVERNOR (MICHAEL BOUCHARD)	NORA MOROUN	December 31, 2009	\$3,400
MIKE COX 2010 COMMITTEE (MIKE COX)	LINDSAY S. MOROUN	June 25, 2010	\$3,400
MIKE COX 2010 COMMITTEE (MIKE COX)	MANUEL J. MOROUN	September 28, 2009	\$500
MIKE COX 2010 COMMITTEE (MIKE COX)	MANUEL J. MOROUN	June 25, 2010	\$3,400
MIKE COX 2010 COMMITTEE (MIKE COX)	MATTHEW T. MOROUN	June 25, 2010	\$3,400
MIKE COX 2010 COMMITTEE (MIKE COX)	NORA MOROUN	June 25, 2010	\$3,400
MIKE COX FOR ATTORNEY GENERAL (MIKE COX)	MANUEL J. MOROUN	March 14, 2008	\$2,500
MIKE GREEN FOR SENATE (MICHAEL GREEN)	LINDSAY S. MOROUN	October 18, 2010	\$1,000
MIKE GREEN FOR SENATE (MICHAEL GREEN)	MANUEL J. MOROUN	October 18, 2010	\$1,000
MIKE GREEN FOR SENATE (MICHAEL GREEN)	MATTHEW T. MOROUN	October 18, 2010	\$1,000
MIKE GREEN FOR SENATE (MICHAEL GREEN)	NORA MOROUN	October 18, 2010	\$1,000

NANCY JENKINS FOR STATE REP (NANCY JENKINS)	LINDSAY S. MOROUN	October 28, 2010	\$500
NANCY JENKINS FOR STATE REP (NANCY JENKINS)	MANUEL J. MOROUN	October 28, 2010	\$500
NANCY JENKINS FOR STATE REP (NANCY JENKINS)	MATTHEW T. MOROUN	October 28, 2010	\$500
NANCY JENKINS FOR STATE REP (NANCY JENKINS)	NORA MOROUN	October 28, 2010	\$500
PAPPAGEORGE LEADERSHIP FUND (JOHN PAPPAGEORGE)	MANUEL J. MOROUN	October 08, 2010	\$5,000
PAUL GIELEGHEM FOR STATE SENATE (PAUL GIELEGHEM)	MANUEL J. MOROUN	March 22, 2010	\$500
PAUL MUXLOW FOR STATE REP (PAUL MUXLOW)	LINDSAY S. MOROUN	October 25, 2010	\$500
PAUL MUXLOW FOR STATE REP (PAUL MUXLOW)	MANUEL J. MOROUN	October 25, 2010	\$500
PAUL MUXLOW FOR STATE REP (PAUL MUXLOW)	MATTHEW T. MOROUN	October 25, 2010	\$500
PAUL MUXLOW FOR STATE REP (PAUL MUXLOW)	NORA MOROUN	October 25, 2010	\$500
PAUL OPSOMMER FOR STATE REP (PAUL OPSOMMER)	MANUEL J. MOROUN	December 12, 2009	\$500
PAUL OPSOMMER FOR STATE REP (PAUL OPSOMMER)	MATTHEW T. MOROUN	June 17, 2010	\$500
PAUL OPSOMMER FOR STATE REP (PAUL OPSOMMER)	NORA MOROUN	June 17, 2010	\$500
PEOPLE SUPPORTING JOHN CHERRY (JOHN CHERRY)	MANUEL J. MOROUN	June 10, 2009	\$3,400
PETE HOEKSTRA FOR GOVERNOR (PETER HOEKSTRA)	LINDSAY S. MOROUN	May 05, 2010	\$3,400
PETE HOEKSTRA FOR GOVERNOR (PETER HOEKSTRA)	MANUEL J. MOROUN	May 05, 2010	\$3,400
PETE HOEKSTRA FOR GOVERNOR (PETER HOEKSTRA)	MATTHEW T. MOROUN	May 05, 2010	\$3,400
PETE HOEKSTRA FOR GOVERNOR (PETER HOEKSTRA)	NORA MOROUN	May 05, 2010	\$3,400
PHIL CAVANAGH FOR STATE REP (PHILIP CAVANAGH)	MANUEL J. MOROUN	June 17, 2010	\$500
PHIL CAVANAGH FOR STATE REP (PHILIP CAVANAGH)	NORA MOROUN	June 17, 2010	\$500

RICK OLSON -THE VOICE FOR THE PEOPLE (RICHARD OLSON)	LINDSAY S. MOROUN	October 25, 2010	\$500
RICK OLSON -THE VOICE FOR THE PEOPLE (RICHARD OLSON)	MATTHEW T. MOROUN	October 25, 2010	\$500
RICK OUTMAN FOR STATE REP (RICKY OUTMAN)	LINDSAY S. MOROUN	October 22, 2010	\$500
RICK OUTMAN FOR STATE REP (RICKY OUTMAN)	MANUEL J. MOROUN	October 22, 2010	\$500
RICK OUTMAN FOR STATE REP (RICKY OUTMAN)	MATTHEW T. MOROUN	October 22, 2010	\$500
RICK OUTMAN FOR STATE REP (RICKY OUTMAN)	NORA MOROUN	October 22, 2010	\$500
RUTH JOHNSON FOR MICHIGAN (RUTH JOHNSON)	LINDSAY S. MOROUN	October 20, 2010	\$3,400
RUTH JOHNSON FOR MICHIGAN (RUTH JOHNSON)	MATTHEW T. MOROUN	October 20, 2010	\$3,400
SRCC (Senate Republican Campaign Cmte)	MANUEL J. MOROUN	May 29, 2009	\$10,000
SRCC (Senate Republican Campaign Cmte)	MANUEL J. MOROUN	May 14, 2010	\$10,000
SRCC (Senate Republican Campaign Cmte)	MATTHEW T. MOROUN	May 14, 2010	\$10,000
SUZANNE SAREINI FOR STATE REP (SUZANNE SAREINI)	MATTHEW T. MOROUN	October 21, 2010	\$500
TERRI LYNN LAND FOR LT GOVERNOR (TERRI LAND)	AGNES A. MOROUN	May 20, 2010	\$3,400
TERRI LYNN LAND FOR LT GOVERNOR (TERRI LAND)	LINDSAY S. MOROUN	May 20, 2010	\$3,400
TERRI LYNN LAND FOR LT GOVERNOR (TERRI LAND)	MANUEL J. MOROUN	May 20, 2010	\$3,400
TERRI LYNN LAND FOR LT GOVERNOR (TERRI LAND)	MATTHEW T. MOROUN	May 20, 2010	\$3,400
TERRI LYNN LAND FOR LT GOVERNOR (TERRI LAND)	NORA MOROUN	May 20, 2010	\$3,400
THE 5200 CLUB (MIKE COX)	MANUEL J. MOROUN	September 04, 2009	\$10,000
TOM CASPERSON FOR STATE SENATE (THOMAS CASPERSON)	LINDSAY S. MOROUN	June 23, 2010	\$1,000
TOM CASPERSON FOR STATE SENATE (THOMAS CASPERSON)	MANUEL J. MOROUN	June 23, 2010	\$1,000

TOM CASPERSON FOR STATE SENATE (THOMAS CASPERSON)	MATTHEW T. MOROUN	June 23, 2010	\$1,000
TOM CASPERSON FOR STATE SENATE (THOMAS CASPERSON)	NORA MOROUN	June 23, 2010	\$1,000
TOM GEORGE FOR GOVERNOR (THOMAS GEORGE)	MANUEL J. MOROUN	May 26, 2010	\$3,400
TONYA SCHUITMAKER FOR STATE SENATE (TONYA SCHUITMAKER)	MANUEL J. MOROUN	November 05, 2010	\$500
TONYA SCHUITMAKER FOR STATE SENATE (TONYA SCHUITMAKER)	MATTHEW T. MOROUN	November 05, 2010	\$500
VIRG BERNERO FOR MICHIGAN (VIRGIL BERNERO)	MANUEL J. MOROUN	April 30, 2010	\$3,400
VIRG BERNERO FOR MICHIGAN (VIRGIL BERNERO)	NORA MOROUN	June 30, 2010	\$3,400
WOODROW STANLEY LEADERSHIP PAC (WOODROW STANLEY)	MANUEL J. MOROUN	June 30, 2010	\$2,500
WOODROW STANLEY LEADERSHIP PAC (WOODROW STANLEY)	MANUEL J. MOROUN	August 26, 2010	\$500
WOODROW STANLEY LEADERSHIP PAC (WOODROW STANLEY)	MANUEL J. MOROUN	May 27, 2010	\$1,000
WOODROW STANLEY LEADERSHIP PAC (WOODROW STANLEY)	MATTHEW T. MOROUN	May 27, 2010	\$1,000
WOODROW STANLEY LEADERSHIP PAC (WOODROW STANLEY)	MATTHEW T. MOROUN	June 30, 2010	\$2,500

Committee name: The name of the political action committee followed, in parentheses, by the person controlling or supported by the committee.

Contributor: Manuel J. Moroun is the Ambassador Bridge owner. Nora is his wife. Matthew T. Moroun is Manuel's son and vice-chair of the bridge company. Lindsay is Matthew's wife. Agnes A. Moroun is Manuel's sister and an executive of a related company.

Tax-free fuel sales are bonanza for Ambassador Bridge owners

Second of three parts

April 25, 2011

BY DAWSON BELL AND JOHN GALLAGHER
DETROIT FREE PRESS STAFF WRITERS

The potential loss of millions of dollars in toll revenue explains much of the Ambassador Bridge Co.'s opposition to the construction of what would be a competing, publicly owned Detroit River crossing.

But to understand the tenacity with which the fight has been waged, and the lengths to which the bridge company has gone to defy the state over the design of its Gateway Plaza in Detroit, you must look at more than traffic over the span.

You have to consider what's underground.

Beneath the plaza are thousands of gallons of gasoline and diesel fuel that are sold tax-free and at huge profit by the bridge company's Ammex Detroit Duty Free Store.

Bridge owner Manuel (Matty) Moroun fought along multiple fronts for more than a decade before winning the right to sell duty-free fuel, finally triumphing in court in 2007.

By selling gasoline and diesel fuel at slightly below market prices, the Ammex fuel operation can net, based on prices last week, a savings of more than 60 cents per gallon (about \$9 for a 15-gallon fill-up) that nearby U.S. stations pay in gas and sales taxes.

"That goes directly into (Moroun's) pocket," said Bill Vollenweider, president of the Detroit Travel Center truck stop on I-75 just south of Detroit. "It's a heckuva competitive disadvantage. He won the right to do it. But it's not right."

Moroun's son, Matthew, said the gas sales produce healthy profits but "nowhere near 60 cents" a gallon.

How Ambassador Bridge won, protects right to fuel sales

The owners of the Ambassador Bridge won't say how much money they make selling tax-free gasoline to Canada-bound truckers and travelers.

"There's more than a million dollars involved. It's not unfair to say that," Matthew Moroun, son of bridge company owner Manuel (Matty) Moroun, told the Free Press on Friday.

Probably a lot more.

Gasoline and diesel fuel sold at the sprawling plaza on the Detroit side of the bridge typically are priced only a few pennies a gallon lower (\$3.84/gallon for unleaded Thursday) than at nearby non-duty-free stations and truck stops. That means about 60 cents a gallon of what would be state and federal taxes anywhere else goes straight to the bottom line for the bridge owners.

It would be difficult to contest that the Ammex Detroit Duty Free Store is the most profitable fuel retailer in Michigan.

Maybe in the country. The Free Press could identify only one other duty-free gas station on the U.S.-Canada border -- at a relatively remote crossing at International Falls, Minn.

Documents filed in one of the many lawsuits over Matty Moroun's right to sell duty-free fuel show that the state taxes alone (about two-thirds of all fuel taxes) on Ammex sales would have been about \$2.4 million. Combined with federal matching money, that would have brought the state about \$7.5 million in funding for state highway construction.

If it could have been collected.

A virtual tax?

Critics of the bridge company -- and in the midst of the battle over construction of a new international river crossing, they are legion -- describe Moroun's gas station profits as excessive.

"This is what happens when you give one operator a monopoly," said Tom Shields, a Lansing-based consultant with the coalition promoting a publicly owned alternative to the Ambassador Bridge. "Charging the customers a virtual tax and putting the money in your pocket is all about greed.

"It's no wonder they violated their agreement with the ... government and built their plaza to make sure every car and truck drives through their gas station. They are making millions off this scam at the expense of Michigan taxpayers who are losing state and federal tax dollars to repair our roads."

Matthew Moroun said Ammex profits are exaggerated, and the bridge company's position in the marketplace distorted.

"We do make a good profit on" fuel sales, he said, but "it's not anywhere near 60" cents a gallon.

Matthew Moroun said the gas station doesn't compete unfairly with retailers who collect taxes because "our market is limited. Anyone can stop at the gasoline station at Fort and Clark. The only people that can come to our duty-free operation are those that have chosen to drive across the border and go to Canada."

He also likened tax-free fuel sales at the bridge to similarly tax-free sales of aviation fuel to airlines flying across the U.S. border.

Michigan tax and highway authorities beg to differ. The benefits of tax-free aviation fuel flow largely to consumers in the form of lower prices, they said; the benefits from the duty-free Ammex station flow almost exclusively to the bridge company.

The state Department of Treasury declined to comment at length about the Moroun gas station, issuing a one-sentence statement that "the department's pleading in court reflect its position that all motor fuel sold in Michigan should be subject to Michigan tax."

How duty-free war was won

Both the state and U.S. Customs opposed the unique treatment of the Ammex station, which came after more than a decade of aggressive litigation by the bridge company and its affiliates in state and federal courts. Moroun lost many of the battles, but finally got the U.S. Court of International Trade to affirm the station's status as part of a bonded duty-free warehouse. That ruling led to Michigan courts in 2007 denying the state's right to impose fuel or sales taxes.

The bridge company argues that gas and diesel fuel are identical to other goods sold duty-free, such as tobacco and cigarettes, and should enjoy the same favorable tax treatment because they increase commerce in the country in which the transaction takes place but are consumed elsewhere.

The problem with that theory, Shields said, is that customs officials impose strict limits on other duty-free goods (for example, one bottle of liquor and one carton of cigarettes allowed into Canada from the U.S.), but fuel sales are limited only by the size of the vehicle's tank. In addition, Shields said, much of the Detroit-Windsor traffic comes from those who regularly cross the border and burn plenty of their fuel on Michigan highways.

Shields said he believes much of the intransigence the bridge owners have shown in their dispute with state transportation officials over the design of the ramps and plaza on the U.S. side stems from their desire to direct traffic to the gas pumps.

MDOT spokesman Bill Shreck said building the entryway according to the design he said was originally agreed to likely would result in reduced traffic volume at the Ammex station and store. Shreck said, however, that the department's only objective is "to facilitate the movement of traffic through the crossing."

"We can't speculate" about why the bridge company has defended its preferred design so fiercely (to the point of bridge company President Dan Stamper spending a few hours in jail for contempt of court last year), Shreck said. "We don't know what the motives are."

In the early years of the dispute over whether duty-free sales at the Ambassador Bridge could include fuel, Bill Vollenweider, owner of the Detroit Travel Center on I-75 in

Woodhaven, organized a group of truck stop owners to seek congressional action to block what they viewed as unfair competition. As the tax authorities did, they won a few skirmishes, getting language inserted in an energy bill.

But Matty Moroun, a prolific contributor to campaigns of Michigan lawmakers, won the war when the legislation itself died.

Today, Vollenweider describes himself as "very, very unhappy" about being on the wrong side of the Ambassador Bridge truck plaza's competitive edge.

But "it's the old story," he said. "When you can't do anything about it, you learn to live with it."

Detroit-Windsor bridge battle: Separating out the truth

First of three parts

April 24, 2011

**BY JOHN GALLAGHER AND CHRIS CHRISTOFF
DETROIT FREE PRESS STAFF WRITERS**

Today, the Free Press separates the swirling exaggerations from the truth in the border showdown critical to Michigan's future.

On one side: Ambassador Bridge owner Manuel (Matty) Moroun, wielding the family fortune and political connections to defeat a proposed publicly owned span that would cut deeply into his business.

On the other side: the U.S. and Canadian governments, with strong support from business groups that want a new crossing between Detroit and Windsor to speed commercial truck traffic across the busiest trade crossing between the U.S. and Canada.

The weapons: muscular lobbying by the Morouns, with controversial TV ads and arm-twisting in Lansing, to convince lawmakers and the public that a second Detroit River bridge is unnecessary and a potential burden for taxpayers.

Gov. Rick Snyder and his aides have the bully pulpit to muster support for a publicly owned bridge. They say they have bulletproof legislation to protect taxpayers against use of any significant Michigan money to build a new bridge.

The stakes: control of the border crossing. And key decisions are expected in coming weeks from Lansing.

Questions about bridge battle answered amid swirling accusations

The claims and counterclaims about the benefits, the risks, the fairness and the vulnerability of Michigan taxpayers are flying in TV ads, in political caucuses, in boardrooms.

Whether to build a second span over the Detroit River or not to build?

Whether to allow Ambassador Bridge owner Manuel (Matty) Moroun to build his own twin span alongside the Ambassador, or to have the Canadian government and Michigan partner to build a new public bridge 2 miles downstream, near Zug Island?

Those are the key questions.

Today, the Free Press examines the issues that will emerge as state House and Senate committees take up the debate in the weeks ahead.

QUESTION: Do we need a new bridge over the Detroit River to Canada?

ANSWER: Just about everyone, including Moroun, agrees that a new bridge is needed to replace or supplement the 82-year-old Ambassador Bridge that connects Detroit and Windsor.

The debate is more about who would own and build it -- either Moroun (who wants to build a replacement span next to his privately owned Ambassador) or a public consortium of Michigan, Ontario and the U.S. and Canadian federal governments, which hope to hire a contractor to build a new bridge in southwest Detroit near Zug Island. That plan is called the New International Trade Crossing.

Q: Why do many people oppose Moroun's proposal?

A: His opponents cite at least four reasons.

First, they say there is a need for redundant spans in the event of unforeseen problems, repairs or a terrorist attack on one of the bridges. Many believe such a huge volume of U.S.-Canadian commerce -- the busiest such crossing in North America -- should not be entrusted to such an aging piece of infrastructure.

Second, supporters of the public bridge predict traffic volumes will rise to new peak levels in the next 25 years, leading to congestion unless capacity is added. This is a hotly disputed point. Moroun points out that the volume of border crossings plummeted after the Sept. 11, 2001, terrorist attacks. Traffic has been rising as the economy picks up, but it's still only a little more than half of the totals of the late 1990s. Passenger-car traffic is down more sharply than truck traffic, as more stringent border security measures apparently have discouraged casual visitors.

A third reason is that the Ambassador Bridge doesn't connect directly to Canada's 401 expressway. Instead, it funnels traffic onto Windsor's Huron Church Road, where trucks run a gantlet of traffic lights for several miles, creating problems of traffic and pollution. The public bridge would link directly to a yet-to-be-built, limited-access road called the Windsor-Essex Parkway that would tie directly to the 401. The parkway also would help 401-bound traffic coming off the Ambassador Bridge, reducing to a handful the number of traffic lights between the bridge and the 401.

Finally, modern border crossings have as much to do with the customs inspection plazas as bridges. A modern inspection plaza has dedicated lanes for prescreened and automated inspections. Such a plaza would be more easily designed, built and operated with an entirely new bridge.

Q: What would a new bridge cost?

A: The publicly owned bridge itself would cost an estimated \$950 million. The customs and inspection plazas to be built on either end of the bridge and the connections to nearby expressways add major costs. In Windsor, connecting a new publicly owned bridge to Canada's 401 via the planned Windsor-Essex Parkway would cost about \$1.7 billion. Add that to other pieces (bridge, plazas, connections to expressways, and the current cost of financing) and the price tag reaches about \$3.8 billion.

Moroun estimates that his replacement span for the Ambassador Bridge would cost about \$500 million.

Q: Who pays for a new bridge?

A: For the New International Trade Crossing, the U.S. and Canadian governments would pay for their respective customs plazas. Canada is pitching in for Michigan's portion. A private contractor (a company or team of companies hired jointly through bids by the Canadian and Michigan authorities) would build the bridge with money raised by issuing bonds that would be paid back from toll revenues. The same contractor would operate the bridge.

Michigan is supposed to pay to create the ramp connections to I-75, but Canada has said it will pay for that up front -- with \$550 million -- to be paid back through tolls, making Michigan's cost zero.

Moroun would build his own replacement span from his own resources, most likely borrowing the money and paying it back through tolls.

Q: The Moroun family has said Canada has backed away from the \$550-million offer. What's the truth of that?

A: The Morouns base that claim on a statement made by Canadian Transport Minister Chuck Strahl in the Canadian House of Commons on March 23. In reply to a question, Strahl said, "We are going to spend zero taxpayer dollars. It is a P3 project. It will not have a single dollar in it."

He was referring to the private-public partnership (P3) that will be created to design, finance, build, operate and maintain a new public bridge. The P3 (a private company or team of companies yet to be selected) would borrow the money to build the bridge and pay it back through toll revenues. Thus, the money to build the bridge will come from the private investment market.

It may be disingenuous for government officials in either the U.S. or Canada to say not one dime of taxpayer money will be spent, since normal staff time is being used on this project. But it's also a stretch for the Morouns to claim Canada has backed away from its offer to front Michigan's side of the costs.

Q: In a TV ad, the Moroun family says building the public bridge would cost Michigan taxpayers \$100 million a year. True?

A: At this point, the charge seems like a stretch.

An anti-public bridge group plans to release details to back up this claim this week. In general, the Morouns say the losses stem from lost property-tax revenues from businesses that would have to close to make way for a new public bridge, and revenues lost at the Ambassador and Blue Water bridges as traffic shifts to the public bridge.

Q: Draft legislation from Gov. Rick Snyder's administration is touted as carefully written to protect Michigan taxpayers from any possible liability. Will it?

A: Yes, according to Richard McLellan, a Lansing attorney and expert on legislative and state constitutional law who reviewed the draft legislation for the Free Press. He said it is strongly worded so that taxpayers won't be on the hook if the bridge loses money. "A bridge between two of the largest economies in the world is a risk" a potential investor would have to evaluate, McLellan said. He said other state statutes have prohibited backing bonds with the state's "full faith and credit," so this bill would not be unusual.

Q: Wouldn't that make it more difficult to sell bonds?

A: Yes, but the real question is whether it will make it impossible to sell bonds. Investors will decide whether to invest in the NITC based on their belief that the bridge's future revenues would pay its costs -- and knowing that Michigan taxpayers would not be liable if the project failed. Some investors, however, are attracted to such bond offerings.

Q: How would the Canadian money help Michigan roads?

A: It would be used as matching funds to receive four times as much in federal highway funds, spread over 10 years. Snyder has proposed using \$50 million of the promised Canadian money as a match in next year's budget.

Q: Is Moroun correct when he says the publicly owned bridge would kill Michigan jobs, especially at his companies?

A: The new bridge would almost certainly draw traffic and tolls from the Ambassador Bridge -- one of just two privately owned spans between the U.S. and Canada. If Moroun's revenues decline, he probably would downsize his operations.

The new public bridge would create many (estimates run in the thousands) temporary construction jobs. The convenience of a new bridge that ties directly into expressways on both sides of the border via ramps or a new Windsor highway could boost commerce and development, leading to new jobs.

Q: The Moroun family says it's unfair competition for the two governments to use their powers of eminent domain to condemn and buy land at reasonable costs, avoid taxes and regulatory red tape, then steal what has been estimated at 75% of the traffic they now get. Isn't that complaint reasonable?

A: The bridge isn't your typical private endeavor. Most bridges are publicly owned. The Moroun argument has some appeal, but consider that the Morouns enjoy a virtual monopoly at the Detroit-Windsor crossings. (Cars and some trucks also can use the Detroit-Windsor Tunnel or the Blue Water Bridge in Port Huron, 60 miles northeast of Detroit).

Governments often build new infrastructure -- from highways to airports to bridges -- when there is a perceived need, and that often tilts a competitive advantage somewhere.

The Ambassador Bridge was built in 1929 by the equivalent of today's private-public partnerships -- a private firm acting with government sponsorship. It was sold to Moroun about 30 years ago.

It wouldn't be a complete surprise if a negotiated settlement resulted in some compensation to the Morouns.

Q: Why is there only one other privately owned border crossing (at International Falls, Minn.) between the U.S. and Canada?

A: The Peace Bridge between Buffalo, N.Y., and Ft. Erie, Ontario, was built in the 1920s by a private company, but that company went into bankruptcy during the Depression, and a public authority took over. That's one scenario why most border crossings today are in public hands. Another reason is that the customs and border security functions require a level of government involvement that the public demands should be in public, not private, hands.

Q: Why won't the Canadians allow Moroun to twin his Ambassador Bridge, like he wants to?

A: With the Ambassador Bridge sending trucks directly onto Windsor's Huron Church Road, causing traffic jams and truck pollution, Canadians want the new public bridge tied directly to the 401 expressway. That's why the downriver bridge that avoids neighborhoods is more appealing. The Canadian government also has made clear its preference for government ownership.

Q: What is the state's bridge authority?

A: It is a five-member body appointed by the governor -- and approved by the state Senate -- that would have power to enter into an agreement with Canada to build the bridge. The authority could issue bonds. It's similar to the Mackinac Bridge Authority, a semiautonomous entity that financed and built the Mighty Mac in the 1950s by selling \$99.8 million in bonds, to be paid by toll revenues.

A second Detroit River crossing: Just build it

April 24, 2011

DETROIT FREE PRESS EDITORIAL

Enough already.

Ambassador Bridge owner Manuel (Matty) Moroun's protracted tantrum over the prospect of a new Detroit River crossing is getting old. And if Moroun doesn't stop, Michigan lawmakers should simply ignore him and get the new bridge built.

Moroun has lobbied and litigated for five years against a publicly owned bridge 2 miles downriver from the Ambassador. The proposed span promises to bring thousands of jobs and solidify the region as the preeminent crossroads for North American trade. From the Ohio state line to the Upper Peninsula, virtually all significant public officials, economic development groups and manufacturers support the proposed bridge.

But against this rising consensus, Moroun has mounted an ever louder, more desperate propaganda campaign. He's now bankrolling a series of falsehood-ridden TV spots that accuse the new bridge's sponsors and the Canadian government of colluding against him and his plans to build his own new private bridge next to the 82-year-old Ambassador.

But a bridge is a road across water -- not much different from any highway or interchange. We entrust that kind of infrastructure to governments accountable to the public, not private companies beholden to stockholders. Moroun's losing courtroom battles with the state over the Gateway Project, which ties freeways into the Ambassador, reveal his difficulty in seeing beyond his own interests.

The hundreds of thousands of dollars he and associates have doled out to rally lawmakers in both parties against the downriver span have contributed to gridlock in Lansing. But further delays will only boost construction costs and undermine the state's economic recovery. Moroun's legislative water carriers need to look out for the people who elected them.

Legislation being crafted by Gov. Rick Snyder's administration would create a Michigan public authority that, in partnership with a similar Canadian authority, will hire a private operator to finance, build, operate and maintain the new bridge for up to 50 years. Building it will cost \$3.8 billion, and Michigan will bear almost no risk.

Last year, Canada offered to front up to \$550 million to Michigan. That would cover the costs to connect the new bridge to I-75 and leverage more than \$2 billion in federal money, paying the rest of Michigan's \$1.2-billion share. And the Obama administration has authorized Michigan to use the Canadian money as a local match for federal highway funds

-- which would be used to fix deteriorating roads. In other words, if we build the new bridge, we also get the funds to fill potholes and repair overpasses across the state.

Like Moroun's planned span, the publicly owned bridge will be financed by selling bonds to investors and paying them off with toll revenues. Tolls would repay the money from Canada. In the unlikely event that tolls came up short, Canada and investors involved in the public-private partnership would be required to cover the losses.

Yet Moroun's agents persist in the lie that the project would cost taxpayers \$100 million a year, based on the hypothetical loss of property taxes and businesses in the Delray neighborhood where the new bridge would be built. That's probably grossly inflated, and it ignores the increased tax revenue generated by workers relocating to Detroit and neighboring communities.

Moroun's son, Matthew Moroun, told the Free Press editorial board Friday that the Detroit International Bridge Co.'s arguments were simply more plausible than the government's. Who could argue, he said, that it's more believable that a multibillion-dollar public works project would cost taxpayers nothing? He said the \$100-million estimate was probably on the conservative side.

On the surface, it's a reasonable argument. But it's also conjecture and, even if true, does not overwhelm the many reasons to trust this process to those who are responsible for public, rather than private, interests.

At first blush, the Morouns' best argument against the public span is declining border traffic as manufacturing has suffered over the last decade. But the U.S. and Canada must make multibillion-dollar infrastructure investments based on what will be needed 20 or 30 years down the road, and both countries expect traffic to rise in the long term. With construction taking four to five years, the second crossing would not open until 2016 or 2017. The time to start building is now.

And Detroit needs a second crossing in case a disaster disables the existing bridge. The Detroit-Windsor Tunnel carries little truck traffic. Now, Detroit has one major crossing that's more than 80 years old and owned by a private operator. That's just not healthy.

Billions of dollars in auto parts and other goods travel over the international border. The narrow economic interests and disingenuous lobbying of one businessman should not keep legislators from acting in the public interest.

Enough already.

Sandy Baruah Guest Editorial: Michigan's recovery depends in large part on new bridge

April 24, 2011

BY SANDY K. BARUAH
DETROIT FREE PRESS GUEST WRITER

Today's economy is global. Michigan business owners and workers are not competing with the company down the road, or even the state next door. Today, our competition comes from any person on any point on this globe with a good idea, a good education and a good Internet connection.

Unless Michigan is equipped to compete and win on the world stage, our economy will continue to struggle.

It's against this backdrop that Gov. Rick Snyder, the Detroit Regional Chamber and just about every business interest in Michigan and Ontario have strongly endorsed the building of the New International Trade Crossing bridge, or NITC. This is a critical investment in our physical infrastructure directly helping our region become more competitive in an ever more competitive world.

Here's why the NITC works for Michigan:

- **Private sector support:** Businesses from small tourism-based companies to leading manufacturers, such as Ford, GM, Chrysler and Toyota, all strongly support the NITC. You'd be hard pressed to find a business, other than the Ambassador Bridge Co., not advocating for it.
- **Statewide support:** Businesses such as Meijer, Steelcase and Kellogg from Michigan's west side are solidly behind the plan -- as are business groups such as the Grand Rapids Chamber, Jackson County Chamber, Traverse City Chamber, Lake Superior Economic Partnership, Ann Arbor Spark and scores of others.
- **Bipartisan support:** What's the one topic Oakland County Executive L. Brooks Patterson, Wayne County Executive Robert Ficano, former Gov. John Engler, former Gov. Jennifer Granholm, Mayor Dave Bing and Amway President Doug DeVos all agree on? That's right, the NITC. This is what I call bridging the political divide.
- **International support:** Here's the beauty of the NITC deal -- Michiganders get a critical infrastructure project that will not only create jobs in the construction phase but, more important, also generate jobs through the greater flow of goods and people over a more efficient, robust transportation system between Michigan and Canada.

The Canadian government is offering us a deal we can't refuse. They are lending us money to build the bridge and allowing us to pay the loan back with toll revenue over time. Canadian support means no Michigan taxpayer will have to contribute a dime to this project.

- **Federal government support:** Gov. Snyder has deftly negotiated a deal with the federal government allowing the funds from Canada to be matched -- and multiplied four times -- making the initial Canadian \$550 million worth \$2.2 billion in federal funds for needed transportation infrastructure projects across Michigan.

- **Fact-based support:** During this six-year-old debate, there has been much discussion of bridge traffic. Here are the facts:

Over the long-term, traffic and trade between Michigan and Canada has been increasing. While 9/11 and the great recession have slowed traffic, volume is expected to rebound strongly as the economy recovers. If Michigan is not prepared to handle increased trade traffic, our friends in Buffalo (who are also considering a new bridge to Canada) will fill this void.

Even during this recession, trade between Canada and the U.S. increased more than 20% in 2010, with greater increases projected for this year.

In a complex global economy relying on just-in-time delivery, every minute of delay puts Michigan at a competitive disadvantage. Throughout the entire trade corridor that starts in Mexico, travels up the center of America -- through Detroit -- and up to Highway 401 in Canada, there are a dozen stoplights clogging traffic. Each of those stoplights is found between the base of the Ambassador Bridge and the 401. This wasted time costs Michigan businesses money.

There is new vibrancy in Michigan today. We've been through the worst and we're looking to the future. While difficult choices need to be made at the state and local levels, the NITC is not one of them.

We can prepare for our bright economic future today by casting outdated thinking aside and enhancing our competitive advantage as the busiest border crossing on the globe.

Let's build this bridge to our future.

Sandy K. Baruah is president and chief executive officer of the Detroit Regional Chamber.

There are big names on both sides of the bridge debate

April 24, 2011

BY CHRIS CHRISTOFF

DETROIT FREE PRESS LANSING BUREAU CHIEF

The 139 organizations and individuals that endorse the New International Trade Crossing (NITC) include Michigan's largest corporations, business groups, unions and newspapers, and most prominent politicians, led by Gov. Rick Snyder.

Their point man in the public battle to build the bridge is Tom Shields, president of Marketing Resource Group in Lansing. Shields is among Lansing's most veteran political consultants, with mostly Republican ties. Shields also has represented Ilitch Holdings, owner of Little Caesars Pizza, the Detroit Tigers and Red Wings, and Marian Ilitch's efforts to develop the MotorCity Casino in Detroit.

All four living former governors support the plan -- Jennifer Granholm, John Engler, James Blanchard and William Milliken.

Opposition to the NITC is led by the Detroit International Bridge Co., which owns the Ambassador Bridge. It was recently joined by the conservative Americans for Prosperity Michigan, and Dick Morris, conservative political adviser and Fox News commentator.

Americans for Prosperity (AFP) is a free-market advocate with ties to the tea party movement. It has been involved in political campaigns in Michigan on behalf of conservative candidates, notably U.S. Rep. Tim Walberg's campaign last year to unseat Democratic Congressman Mark Schauer.

The campaign against building a public bridge has targeted five Republican state senators - Goeff Hansen of Hart, Dave Hildenbrand of Lowell, Mike Nofs of Battle Creek, Judy Emmons of Sheridan and Rick Jones of Grand Ledge -- who AFP says are uncommitted on the project. All but Jones sit on the Senate Economic Development Committee that will consider legislation to build the new bridge.

The Bridge Co. recently led an extensive TV ad campaign against the proposed NITC.

Q&A: An interview with Matthew Moroun

April 24, 2011

DETROIT FREE PRESS

QUESTION: First-time visitors to Detroit are often astonished to learn that the Ambassador Bridge is a privately held entity. Isn't there some merit to the thought that, however well the bridge is being run by its current owner, something this important belongs in the hands of people who answer directly to the public?

ANSWER: Well, not to sound overly patriotic, but I don't think that is American. We have two railroads that barrel through the Rocky Mountains -- only two. Neither one of them is owned by any government. We have the New York Stock Exchange -- the biggest, most gleaming symbol of American prosperity and capitalism -- that's not owned by the government.

Q: Yes, but the Securities and Exchange Commission is.

A: I'm not against regulation. We have a duty to comply with laws and make sure that the bridge is safe. We can't discriminate as to who crosses the bridge. In the 1920s an American entrepreneur from Detroit built the longest suspension bridge without a dime of taxpayer money. That's something to brag about and be proud of.

Why all of sudden do we have to declare defeat and have the government come in and give us such a helping hand that we need their money, their resources, their prowess, their bureaucrats and do something that we have already proven can be done by the private sector?

Q: The short answer to your question is the Canadian government says you can't.

A: You know, that is something that has been perpetuated that is in fact completely false. I thought you might say that, so here's a quote from a letter from the counsel general of Canada dated February 2011. He writes that "the government of Canada has no interest in disadvantaging the Ambassador Bridge's long-term sustainability." And has repeatedly said Canada would not block twinning (the existing bridge) if that option were to receive the environmental and other approvals like the Detroit River International Crossing requires.

That is the fact. The rhetoric is the Canadians will never let you do it. OK, let's look at official Canadian government statements and see if we can find somewhere where Canada said, "We hereby decree we are not going to let the Ambassador Bridge build a second span." You can't. In fact, the only thing you can find is the contrary.

Q: As a practical matter, you're not going to get environmental clearance.

A: But there you go again. They have our environmental documents now. We are in a little bit of a tiff with them as to whether or not we have provided them enough environmental documents. And there you go, you are talking about the conclusion they are going to reach before they have reached it. Come on!

Q: On another aspect regarding Canadians, one of the points they make in favor of the government bridge as opposed to the Ambassador Bridge is where the Ambassador Bridge feeds into Windsor. It really slows their international trade and commerce to Toronto and other markets because of the stoplights on Huron Church Road and their inability to build a bypass where you are located. What's your thought about that?

A: That same road, nine of those 10 miles would go, under their proposal, to the government bridge. So we would share the same road for nine of the 10 miles. It's only the last mile that they are proposing to leave three stoplights to the Ambassador Bridge.

At the end of the day, it's not that big of a deal. But if I were a proponent of the government bridge, it's what I would be talking about.

They can't admit that they have a plan, which they do, to eliminate the stoplights from the last mile, because if they do, then one of the few remaining cards that they have to support their government proposal would fall.

Q: Are there any circumstances whereby a deal might be made where Michigan and the U.S. government would actually help you build your second span if you would withdraw opposition to the government bridge? In exchange for some type of management over the authority where you would have a piece of that second crossing? Are you completely ruling that out?

A: I'm not going to watch the government come in and take our business and then turn around and bid on it. It's insane.

Q: But hasn't government historically run public transportation?

A: Not in Detroit. The tunnel was built with private dollars. The Ambassador Bridge was built with private dollars. It's been that way for 83 years.

If you stand for government ownership and operation of infrastructure, that's fine; you're entitled to your opinion.

Q: I think what the governor and others would tell would tell you is that the government is responsible for servicing the public interest. Whereas you are solely motivated by a private interest. And I'll be honest here, the frequency with which your private interests have clashed with the public interest with your own bridge, the Gateway Project, some other things, give us real pause about where that public interest lies in this discussion so long as we are talking about a private bridge.

A: With respect to the Gateway, when we spend dollars on the Ambassador Bridge, when we endeavor projects to improve the Ambassador Bridge, we are trying to improve the asset that we own. When we are playing in the same sandbox with the government and the Highway Department that have their own commercial interests to build a span of their own six blocks down the road and who's on record as saying they would like to take 75% of our business, it shouldn't be hard for anyone to step back from that situation and say, who wants to help the Ambassador Bridge and who wants to muck it up?

Q: Let me ask you about the business model. On the duty free operation you sell gas and diesel there. And since it is duty free you don't pay gas taxes there?

A: That's right. Nor do we pay the various federal taxes or state taxes. Nothing that we sell at the duty free store has taxes or duty on it.

Q: The calculation our Lansing Bureau did is you can make as much as 60 cents a gallon and not pay the taxes on that. That's pretty lucrative.

A: We do make a good profit on it. It's not anywhere near 60 cents, though. What you have to come to duty free with is an understanding that our market is limited. While anyone can stop at the gasoline station on Fort Street and Clark Street, the only people who can come to our duty free operation are those people that have chosen to drive across the border and go to Canada. So it is two different markets.

Q: But elsewhere on the border, duty free gas in particular, you don't find it in Buffalo, at least that is what our research shows. This is unique.

A: That's true and not true. You don't find it so much associated with motor vehicles, but of course you do every time you fly overseas out of Metro Airport on the airplanes. If you are flying from Detroit to Frankfurt, Germany, you're going to be using duty free fuel.

Q: Nobody wants to compete with the government, but don't you think you're such good operators that you wouldn't be competing with them in a way that you would lose 75% of your business?

A: The 75% is their prediction for how much we are going to lose. I can't tell because I don't know how much government money is going to be spent.